ATTACHMENT A
EXECUTIVE SUMMARY
FORENSIC AUDIT: BONITA SPRINGS RAIL CORRIDOR DEAL HIDES $169.5 MILLION TAXPAYER DEBT BOMB

Prepared by: Lee County Taxpayers Association
Date: August 11, 2026
Subject: Critical Flaws, Dangerous Assumptions, and Lack of Transparency in the Proposed Acquisition of the 6.15-Mile Seminole Gulf Railroad Corridor in Bonita Springs, Florida

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1. Overview

The Lee County Taxpayers Association has completed a comprehensive forensic review of the proposed purchase by the City of Bonita Springs of a 6.15-mile railroad corridor from Seminole Gulf Railroad. The City proposes to pay **$28.6 million** for land that the Lee County Property Appraiser currently values and taxes at only **$378,005**.

The transaction is scheduled for a referendum vote on **August 18, 2026**, authorizing a 30-year property tax increase to finance the acquisition and related costs.

This Executive Summary consolidates the audit's principal findings. The full supporting documentation—appraisals, the Purchase and Sale Agreement, environmental provisions, campaign finance records, and detailed cost models—is available at:
https://usataxfighters.org/bonita-springs-tax-increase-proposal-what-taxpayers-need-to-know/

Bottom-line conclusion:
Taxpayers are being asked to assume a **minimum long-term exposure of $169.5 million** for a corridor that the Railroad has stripped of its income-producing assets, while retaining significant liability for contamination, track removal, and secondary infrastructure. Critical documents were withheld from the public until days before the vote.

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2. Background and Transaction Structure

- **Length:** 6.15 miles
- **Proposed purchase price:** $28.6 million
- **Lee County assessed value:** $378,005
- **Buyer:** City of Bonita Springs
- **Seller:** Seminole Gulf Railroad

- **Intermediary / negotiator:** Trust for Public Land (San Francisco-based nonprofit)
- **Financing:** 30-year general obligation bonds repaid by property taxes

The City delegated negotiation of price, terms, environmental protocols, and appraisals to the Trust for Public Land. Two appraisals commissioned by the Trust were delivered to City officials on July 2, 2026, but not released to the public until August 5, 2026—only 13 days before the election.

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3. Ten Critical Findings of the Forensic Audit

Finding 1 – Failure to Conduct a Title Search
Standard appraisal limiting conditions explicitly state that no title search was performed. The appraisals assume clear and marketable title. Existing utility easements, deed restrictions, and potential clouds on title that reduce marketability and value were ignored.

Finding 2 – Compromised Environmental Testing Protocols
The Purchase and Sale Agreement imposes severe restrictions on due diligence:

- Soil core sampling is capped at a maximum depth of **six inches**.
- A mandatory "dilution protocol" requires five separate soil specimens to be mixed into a single composite sample, artificially reducing the concentration of any toxic hot spots.
- The Railroad retains the contractual right to block follow-up groundwater testing.

These limitations leave the City (and ultimately taxpayers) blind to deep subterranean contamination from more than a century of diesel fuel, solvents, herbicides, and creosote. The land is purchased **"As-Is, Where-Is,"** with the City waiving claims for pre-existing pollution.

Finding 3 – Withheld Appraisals and Concealed Purchase Agreement
Appraisals were delivered July 2 but withheld until August 5. The official Purchase and Sale Agreement was never distributed at the public meetings that authorized the tax-increase referendum. The Lee County Taxpayers Association obtained the contract only through a formal public-records request.

Finding 4 – Regional Pattern of Overpayment
Identical overpayment structures appear in neighboring jurisdictions:

- **Village of Estero:** $19.8 million for 5.27 miles assessed at $330,362 https://usataxfighters.org/watchdog-audit-exposes-esteros-hidden-76-million-rail-burden/
- **Collier County:** $11.6 million for 1.5 miles assessed at $104,688 https://usataxfighters.org/rail-corridor-watch-part-iii-collier-countys-11-6-million-polluted-dirt-gamble/
- **Lee County government declined to participat**e. Chairman Cecil L. Pendergrass stated that the County prioritizes roads over bike paths, Lee County is not involved or provide any funding https://usataxfighters.org/bonita-springs-tax-increase-proposal-what-taxpayers-need-to-know/

Finding 5 – Flawed Valuation and Double Standard (Across-the-Fence Methodology)
The appraisals simultaneously apply two contradictory rules:

- **Discount Rule:** The corridor is valued as vacant, non-income-producing land under standard Across-the-Fence (ATF) methodology, ignoring that the Railroad is retaining all billboard leases, commercial agreements, utility rights, and fiber-optic income.
- **Premium Rule:** A substantial "corridor factor" or linear-connectivity multiplier is then applied because the strip is continuous.

Result: Taxpayers pay a premium price for unbroken connectivity while being denied the commercial revenue that continuous corridors generate. (See plain-language explanation in the accompanying Exhibit B.)

Finding 6 – Railroad Retains Approximately $6 Million in Revenue Rights
All income-producing assets—Lamar and TDI billboard leases, commercial right-of-way leases, utility easements, and fiber-optic corridors—remain with the Railroad. Taxpayers acquire the liability and none of the cash flow.

Finding 7 – The $20.5–$22 Million "Clean Soil" Trap
Appraisals rest on the extraordinary assumption that no environmental contamination exists on a 100-year-old railway. Section 8 of the agreement shifts all remediation risk to the City.

Finding 8 – Omitted Track Demolition and Disposal Costs
The appraisals treat the land as ready-to-build. Estimated cost to dismantle, haul, and legally dispose of heavy steel rails and chemically treated wooden ties: **$10–15 million**.

Finding 9 – More Than $100 Million in Unfunded Secondary Infrastructure
Safe public-trail operation will require:

- Grade-separated pedestrian overpasses at Bonita Beach Road, West Terry Street, and Old 41 — approximately **$39 million**
- Paving, lighting, engineering, and amenities — approximately **$25 million**

Finding 10 – Conflict of Interest and Campaign Influence
The Trust for Public Land negotiated the deal while contributing (directly and indirectly) more than $143,500 in spending and appraisals supporting the pro-tax committee Vote4BERT2026. Additional contributions came from CSX Transportation ($15,000) and local real-estate and development interests.

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4. True Long-Term Taxpayer Exposure

Line Item	Estimated Cost
Phase 1 Acquisition Principal	$35,000,000
30-Year Bond Interest & Financing Fees	$35,000,000
Soil & Groundwater Environmental Cleanup	$20,500,000
Rail & Creosote Tie Removal	$10,000,000
Elevated Pedestrian Bridges (3 major crossings)	$39,000,000
Trail Paving, Engineering & Lighting	$25,000,000
TOTAL TAXPAYER EXPOSURE	**$169,500,000+**

These figures do not include potential future Phase 2 expansion costs or inflation.

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5. Transparency Failures

City leadership systematically delayed release of the two appraisals and failed to present the Purchase and Sale Agreement at the public meetings that authorized the bond referendum. The compressed timeline (13 days from public release of appraisals to Election Day) effectively prevented meaningful independent review by residents and independent watchdogs.

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6. Conclusions and Recommendation

The proposed transaction transfers a contaminated, income-stripped corridor to Bonita Springs taxpayers at a price more than 75 times the County's assessed value, while the seller retains the profitable assets and the City assumes open-ended environmental and infrastructure liabilities. Critical due-diligence protections were contractually eliminated, and key documents were withheld until the final days before the vote.

The Lee County Taxpayers Association recommends that voters reject the August 18, 2026 tax-increase referendum.

A "No" vote stops the immediate $70 million debt obligation and prevents an additional estimated $100 million in Phase 2 costs from being imposed on current residents and future generations.

Full documentation, source materials, appraisal extracts, the complete Purchase and Sale Agreement, and an interactive property-tax impact calculator are available at:
https://usataxfighters.org/bonita-springs-tax-increase-proposal-what-taxpayers-need-to-know/

Media / Further Information
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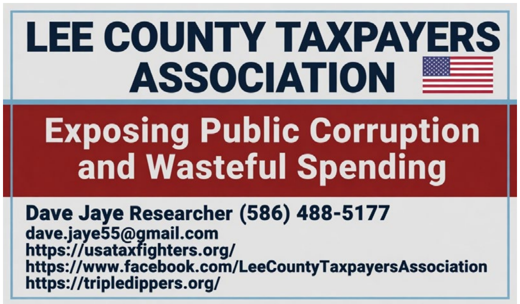
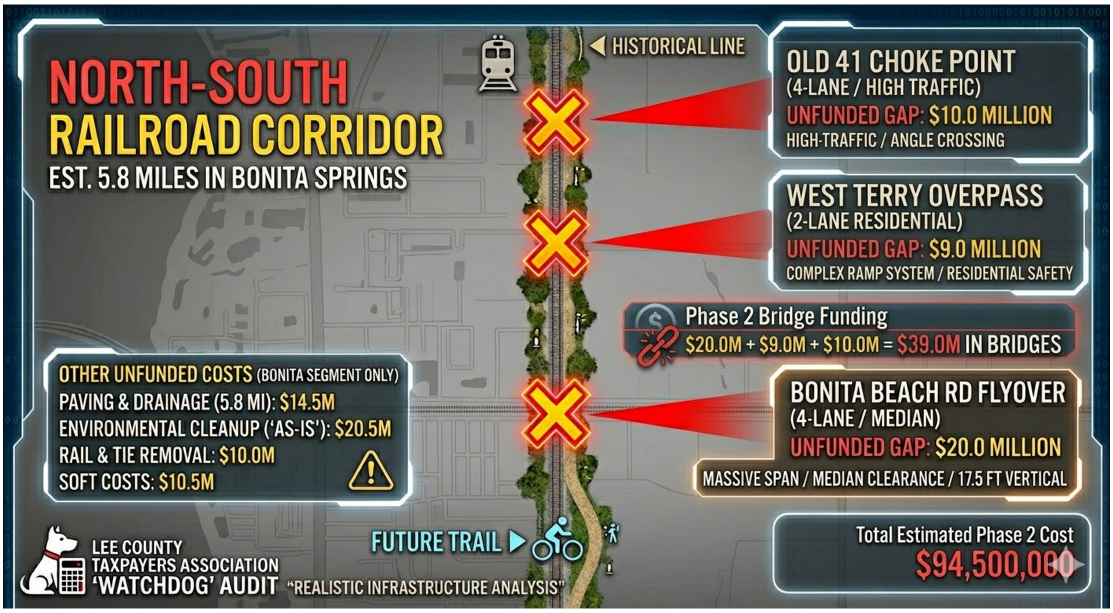
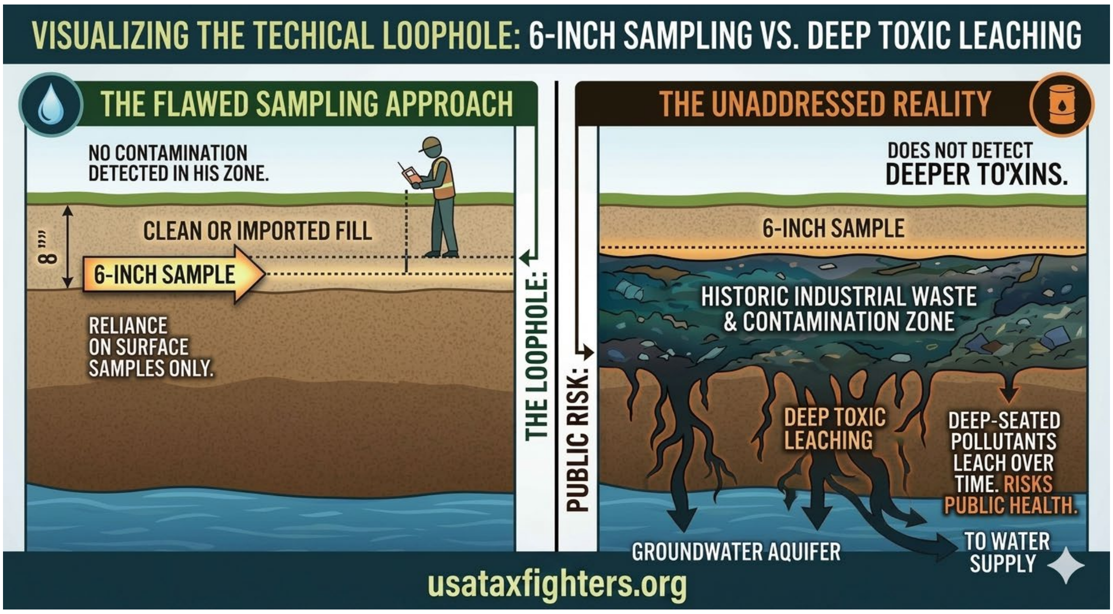
— End of Attachment A —




TAXPAYERS PAY $28.6 MILLION FOR $378 K POLLUTED RAILROAD DIRT.
1 THE INITIAL 'BONE' (AUG 18 BALLOT)
RAILROAD profit
DEED
LAND WORTH: $378,005
$28.6 MILLION
TRAIN TRACKS HAVE 100 YEARS railroad 'dirt.'
TAX DOLLARS
TRAIN TRACKS AS 100 YEARS OF INDUSTRIAL POLLUTION
2 THE HIDDEN BRIDGES & $70 MILLION DEBT TRAIL
$100M PHASE 2 COST
$100M PHASE 2 COST
BONITA BEACH ROAD
W. TERRY
OLD 41
$70 MILLION TOTAL DEBT
30 YEAR DRAIN
$35M
ADD PHASE 2 LIABILITIES
3 +$100 MILLION ADDITIONAL TAX
$100M PHASE 2 COST
TAX WATCHDOG AUDIT
BRIDGES, HAZMAT
TRACK REMOVAL
TRAIN TRACKS AS HAZMAT DEBT
4 THE FINAL COST
WHO REALLY GETS THE 'MEAT'?
Mayor's Bike and Pizza Shops Windfall
RAILROAD PROFIT
FOOT TRAFFIC FROM A NEW TRAIL
$170 MILLION TAX INCREASE
A 30-YEAR DEBT SENTENCE
Vote No Tuesday August 18 on the $170 Million 30 year Property tax increase
LEE COUNTY TAXPAYERS ASSOCIATION AUDIT usataxfighters.org


NORTH-SOUTH RAILROAD CORRIDOR
EST. 5.8 MILES IN BONITA SPRINGS
HISTORICAL LINE
OLD 41 CHOKE POINT
(4-LANE / HIGH TRAFFIC)
UNFUNDED GAP: $10.0 MILLION
HIGH-TRAFFIC / ANGLE CROSSING
WEST TERRY OVERPASS
(2-LANE RESIDENTIAL)
UNFUNDED GAP: $9.0 MILLION
COMPLEX RAMP SYSTEM / RESIDENTIAL SAFETY
Phase 2 Bridge Funding
$20.0M + $9.0M + $10.0M = $39.0M IN BRIDGES
OTHER UNFUNDED COSTS (BONITA SEGMENT ONLY)
PAVING & DRAINAGE (5.8 MI): $14.5M
ENVIRONMENTAL CLEANUP ('AS-IS'): $20.5M
RAIL & TIE REMOVAL: $10.0M
SOFT COSTS: $10.5M
BONITA BEACH RD FLYOVER
(4-LANE / MEDIAN)
UNFUNDED GAP: $20.0 MILLION
MASSIVE SPAN / MEDIAN CLEARANCE / 17.5 FT VERTICAL
FUTURE TRAIL
Total Estimated Phase 2 Cost
$94,500,000
LEE COUNTY TAXPAYERS ASSOCIATION 'WATCHDOG' AUDIT "REALISTIC INFRASTRUCTURE ANALYSIS"


$35 Million Property Tax Increase Proposal on August 18, 2026
Ballot for Bonita Springs to Buy Rail Road Tracks
Railroad's 'MEAT':
Billboards & Utility Revenue
($200k year/6M over 30 Years)
Taxpayer's 'BONE':
Environmental Liabilities &
$100 Million+ Unfunded
Infrastructure
usataxfighters.org


VISUALIZING THE TECHICAL LOOPHOLE: 6-INCH SAMPLING VS. DEEP TOXIC LEACHING
THE FLAWED SAMPLING APPROACH
NO CONTAMINATION
DETECTED IN HIS ZONE.
CLEAN OR IMPORTED FILL
6-INCH SAMPLE
RELIANCE
ON SURFACE
SAMPLES ONLY.
THE LOOPHOLE:
PUBLIC RISK:
THE UNADDRESSED REALITY
DOES NOT DETECT
DEEPER TO'XINS.
6-INCH SAMPLE
HISTORIC INDUSTRIAL WASTE
& CONTAMINATION ZONE
DEEP TOXIC
LEACHING
DEEP-SEATED
POLLUTANTS
LEACH OVER
TIME. RISKS
PUBLIC HEALTH.
GROUNDWATER AQUIFER
TO WATER
SUPPLY
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